

STATE OF HAWAII DEPARTMENT OF TRANSPORTATION 869 PUNCHBOWL STREET HONOLULU, HAWAII 96813-5097

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IN REPLY REFER TO:

Board of Land and Natural Resources State of Hawaii Honolulu, Hawaii

> CONSENT TO SUBLEASE FOR LEASE NO. DOT-A-05-0007 AIR MOLOKAI, INC. TO BLUE HAWAIIAN HELICOPTERS HONOLULU INTERNATIONAL AIRPORT

<u>OAHU</u>

LEGAL REFERENCE:

Subsection 171-36 (a) (6), Hawaii Revised Statutes.

LESSEE:

Air Molokai, Inc., a Hawaii Corporation

SUBLESSEE:

Blue Hawaiian Helicopters, a Hawaii corporation

LOCATION AND TAX MAP KEY:

Portion of Honolulu International Airport, Honolulu, Island of Oahu, identified by Tax Map Key: 1st Division, 1-1-72: 79

LEASE AREA:

Area/Space No. 009-104, containing an approximate land area of 42,977 square feet, as shown and delineated on the attached map labeled Exhibit A.

LEASE TERM:

Twenty-Five (25) years, commencing on May 1, 2005 through April 30, 2030

BLNR – Consent to Sublease Air Molokai, Inc. to Blue Hawaiian Helicopters Page 2

SUBLEASE AREA:

1,520 square feet of office and storage space

SUBLEASE TERM:

Five (5) years, commencing on January 18, 2011 through January 17, 2016

SUBLEASE RENT:

\$4,000 per month

CHAPTER 343, HRS - ENVIRONMENTAL ASSESSMENT:

In accordance with the Comprehensive Exemption List approved by the Environmental Council and dated May 22, 2001, the subject request qualifies under Exemption Class 1, "Operations, repairs, and maintenance of existing structures, facilities, equipment or topographical features, involving negligible or no expansion or change of use beyond that previously existing."

ZONING:

State Land Use District:

Urban

City and County of Honolulu:

I-2 (Industrial)

LAND TITLE STATUS:

Section 5(a) lands of the Hawaii Admissions Act – <u>Non-ceded</u> DHHL 30% entitlement lands pursuant to the Hawaii State Constitution: YES ___ NO <u>X</u>

CHARACTER OF USE:

Hangar Facility

REMARKS:

The State and Lessee entered into Lease No. DOT-A-05-0007, effective May 1, 2005, for the exclusive use of certain premises for the purpose of constructing, maintaining, and operating a hangar facility on the South Ramp Subdivision at Honolulu International Airport. Air Molokai, Inc. is requesting to sublease a portion of the premises to Blue Hawaiian Helicopters for a term of five (5) years.

BLNR – Consent to Sublease Air Molokai, Inc. to Blue Hawaiian Helicopters Page 3

The Department of Transportation (DOT) has reviewed the sublease and sublease rent and has determined that the sublessee's obligation are reasonable with no excess sublease profit to be gained by the lessee/sublessor.

RECOMMENDATION:

That the Board authorize DOTA to approve the Consent to Sublease between Air Molokai Inc., as Sublessor and Blue Hawaiian Helicopters, as Sublessee, as hereinabove outlined, subject to: (1) terms and conditions hereinabove outlined, which are by reference incorporated herein; (2) such terms and conditions as may be prescribed by the Director of Transportation to best serve the interests of the State; and (3) review and approval of the Department of the Attorney General as to the Consent to Sublease form and content.

Respectfully submitted,

GLENN M. OKIMOTO, Ph.D. Director of Transportation

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APPROVED FOR SUBMITTAL:

Chairperson and Member

